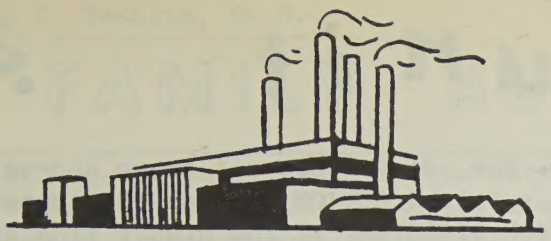
June - July 1960
Vol. III, No. 6-7



SOCIAL ACTION DIGEST®

SOCIAL DOCTRINE

by **Joseph Folliet**

The following excerpt is reprinted with permission from Supplement No. 6 (1959) of PAX ROMANA JOURNAL (14 rue St. Michel, Fribourg, Switzerland). The author is a professor at the University of Lyons, France, and the chief inspirer of the famous French Social Weeks. The English translation was prepared by Pax Romana from the original French article in REVUE DU CENTRE CATHOLIQUE DE LA COOPERATION (34 rue Eikenberg, Wilsele-Louvain, Belgium).

What is meant by "Catholic Social Teaching?"

It is clear that Catholic social doctrine is not an economic "doctrine" in the sense given to the word doctrine by the contemporary terminology of economics. Neither is it a political "doctrine" as is, for example, Marxism. It is neither an economic, social, political nor cultural technique, nor is it, as the ancients used to say, an "art" living in temporal realizations of any kind whatsoever.

It is a social and international morality wherein the prescriptions of the natural law and those of the supernatural law, which is essentially the law of love, find their meeting place. But it is a living morality applied to actual persons, placed in an actual setting of time and place. One might describe it as an incarnate morality so long as one does not abuse this metaphor. It is also, in a certain way, a dynamic and evolutionary morality (cf. the fertile idea of natural right has a progressive content inseparable from it) in the same way as the call of a saint constantly elevates and enlarges the rule, or as the virtue of equity in indeterminate

Cont'd on p.7.

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EDITORIAL

Whodunit ?

Exactly! That's what I want to know. Now, don't just sit there and say: "Who - me?" Yes - YOU! Did you or didn't you put into ACTION some of the ideas you have picked up in recent issues of SOCIAL ACTION DIGEST? If you didn't find any useful ideas, you'd better cancel your subscription - you're wasting your money. Cool, man, cool! Don't flip your lid. It will get you nowhere, because you're 'way out, see? Come back and join the human family. DO SOMETHING to improve social life. (Thanks for bringing me a Pepsi, but that's not exactly what I had in mind.)

The first article in the current issue, "SOCIAL DOCTRINE," is raising some interesting points. Professor Folliet, the founder of the French "Semaine Sociale," is used to practical applications of social ideas. He is stressing the fact that a dynamic morality must be applied to existential realities.

When baby is yelling at the top of his voice, he may be merely exercising his vocal cords and expanding his lungs. It's good for him, no doubt, but is it good for his parents? Diaper services may enjoy a business boom with a new baby born in the U. S. every 7½ seconds, but do mothers enjoy changing diapers all the time? Parents must suffer many personal inconveniences for their children, but why should they be the only ones to pay - in addition to all other sacrifices - the full economic costs of providing society with its future engineers, workers, managers, doctors, etc.? If children are economic assets to society, should not society share at least some of the economic burdens of parents? The article "FAMILY ALLOWANCES" deals with this increasingly important modern problem. You'll hear more of it in later issues.

The fiscal year 1960 will end on June 30. Present trends show that the government's income is falling below official expectations. At the same time, spending has been above the planned levels. Even so, President Eisenhower is likely to squeak by with the budget close to balance. What are the chances for a balanced budget in the fiscal year 1961? You will find some official forecasts on pp. 4-5. The charts and tables were provided by the Budget Bureau, Executive Office of the President.

Rt. Rev. Monsignor George Higgins, SOCIAL ACTION DIGEST's first regular columnist, has spent many years in close contact with management-labor relations. In this issue of the DIGEST he reminds us that the practical application of "democracy" is a common problem in labor and business. You will enjoy his cool, objective evaluation of a subject too often loaded with emotion and blind prejudices.

One more thing: Please don't shoot your postman if he doesn't bring you any more issues of SOCIAL ACTION DIGEST this summer. It's not his fault, really, because the next issue will not appear before September. Until then — Keep Smiling! And say a little prayer for your perspiring editor, Hubert F. Schiffer, S.J.

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SOCIAL ACTION DIGEST (published monthly, except July and August) is dedicated to the promotion of the private enterprise system, of co-operation and fair dealing between management and labor, of interracial justice and harmony, and, in general, of the Christian reconstruction of the socio-economic life. Every issue brings several thought-provoking excerpts of outstanding books, articles and speeches.

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James C. Vadakin, Ph.D.

FAMILY ALLOWANCES

About 33% of the individuals in the nation's labor force are rearing over 90% of the children under 18 years of age. Thus the next generation of Americans is being reared largely upon the earnings of only 1/3 of the population. After the children are educated, they will be an economic asset to the whole nation. Why, then, should the economic burden of rearing them fall exclusively upon a part of the population?

The following excerpt is reprinted from the book FAMILY ALLOWANCES, by James C. Vadakin, Ph.D. (University of Miami Press, 1958). This excellent study is highly recommended to readers of SOCIAL ACTION DIGEST.

One of the most interesting and significant developments which have taken place in the field of social security in recent years has been the introduction of family allowances programs on a widespread scale. In one form or another, such programs have been adopted by virtually every important industrial nation of the world, with the exception of the United States.

Family allowances may be broadly defined as systematic payments made to families with dependent children, either by employers or by the government, for the primary purpose of promoting the welfare of such children. These payments are often referred to as "children's allowances."

The payment of family allowances represents a method of improving the welfare of children by attempting to correct, at least in some measure, the imbalance between family income and family need. Quite clearly, as a family grows in size through the addition of children, the needs of the family increase; and unless the income of the family increases commensurately, the economic and social welfare of the members of the family, especially the children, will be impaired.

Under the modern industrial system, wages are determined according to work performed, and they tend to be approximately the same for equal work. Thus, a single man with no family responsibilities and a married man with a large family to support, both doing identical work, receive the same amount in wages. Regardless of the vast difference in their needs, both workers are rewarded equally since their respective economic contributions are equal. Quite clearly then, the modern labor market is based on the concept of an industrial rather than a social wage. While a system which rewarded individuals solely on the basis of their needs would be most impractical and unjust, it must be recognized that a wage structure which bears no relationship whatsoever to family needs and responsibilities does give rise to certain serious inequities.

Those nations which have adopted family allowances programs have done so out of a recognition that, while the modern industrial system has brought about unprecedented levels of living, it has failed to allow for any correlation of family income with varying family needs. And unless such a relationship exists, at least to some degree, it is felt that the children of a nation, its future generations of citizens, will fail to receive those advantages necessary for their proper health and well-being. Through the payment of family allowances, these nations have adopted the philosophy that the attainment of this goal is properly the concern, not just of the parents, but of society as a whole. (The End)

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The Federal Budget in Brief for the fiscal year 1961

Where it comes from . . .

52¢ Individual Income Taxes
28¢ Corporation Income Taxes
11¢ Excise Taxes
9¢ All Other Receipts

BUDGET RECEIPTS, 1952–1961

[Fiscal years. In millions of dollars]

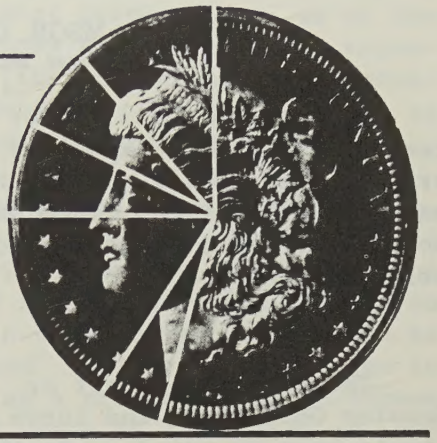
Source	Actual								Estimate	
	1952	1953	1954	1955	1956	1957	1958	1959	1960	1961
Individual income taxes	27,913	30,108	29,542	28,747	32,188	35,620	34,724	36,719	40,306	43,706
Corporation income taxes	21,225	21,238	21,101	17,861	20,880	21,167	20,074	17,309	22,200	23,500
Excise taxes	8,851	9,868	9,945	9,131	9,929	9,055	8,612	8,504	9,100	9,523
All other receipts	3,402	3,610	4,067	4,650	5,169	5,187	5,708	5,738	6,994	7,271
Total	61,391	64,825	64,655	60,390	68,165	71,029	69,117	68,270	78,600	84,000

BUDGET EXPENDITURES, 1952–1961

[Fiscal years. In millions of dollars]

Function	Actual								Estimate	
	1952	1953	1954	1955	1956	1957	1958	1959	1960	1961
Major national security	43,976	50,363	46,904	40,626	40,641	43,270	44,142	46,426	45,650	45,568
Interest	5,934	6,583	6,470	6,438	6,846	7,308	7,689	7,671	9,385	9,585
International affairs and finance	2,826	2,216	1,732	2,181	1,843	1,973	2,231	3,780	2,066	2,242
Commerce and housing	2,624	2,504	817	1,504	2,030	1,455	2,109	3,421	3,002	2,709
Agriculture and agricultural resources	1,045	2,936	2,557	4,388	4,867	4,525	4,389	6,529	5,113	5,623
Natural resources	1,366	1,477	1,316	1,202	1,105	1,297	1,544	1,669	1,785	1,938
Labor and welfare	2,168	2,426	2,485	2,575	2,821	3,022	3,447	4,421	4,441	4,569
Veterans services and benefits	4,863	4,298	4,256	4,457	4,756	4,793	5,026	5,174	5,157	5,471
General government	1,463	1,472	1,235	1,199	1,630	1,790	1,359	1,606	1,711	1,911
Allowance for contingencies									75	200
Adjustment to daily Treasury statement basis	—857									
Total	65,408	74,274	67,772	64,570	66,540	69,433	71,936	80,697	78,383	79,816

Where it goes . . .



54¢ Major National Security
11¢ Interest
7¢ Agriculture
7¢ Veterans
16¢ Other
5¢ Debt Retirement

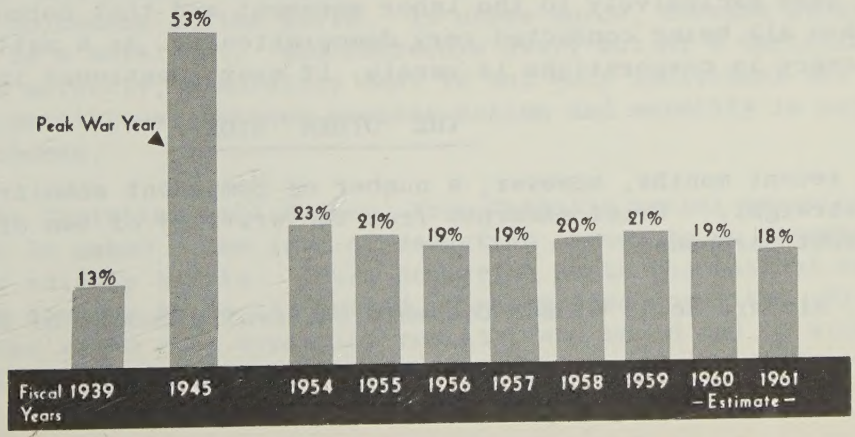
Fiscal Year 1961 Estimate

Total $79.8 Billion

45.6 Major National Security
9.6 Interest
5.6 Agriculture
5.5 Veterans
4.6 Labor and Welfare
2.7 Commerce and Housing
2.2 International
1.9 Natural Resources
1.9 General Government
.2 Allowance for Contingencies

Federal Budget Expenditures

as a Percentage of National Income



Yardstick

Labor and Business Lack Full Democracy

By MSGR. GEORGE G. HIGGINS
(Director, Social Action Dept., N.C.W.C.)

During the past two or three years much has been said and written about the real or alleged breakdown of democracy in the American labor movement. The typical article, editorial or speech on this subject seems to take it for granted that the majority of American trade unionists are being held in bondage, so to speak, by unscrupulous labor leaders whose one and only purpose in life is to perpetuate themselves in power.

GENERALIZATION

The minority report or "separate statement of views" recently submitted by Senator Goldwater and three other minority members of the McClellan Committee is a timely case in point. In the opinion of Senator Goldwater and his colleagues, the improper activities exposed by the McClellan Committee are "the result of a few men exercising too much authority over too many union members in the trade union movement." In other words, there is too much "rulership from the top down rather than from the bottom up...."

The logical remedy for this unfortunate situation, we are told by the four Senators, is democracy and more democracy in the labor movement. "The democratic rights of individual trade union members," the Goldwater report concludes, "must be increasingly protected and promoted. As they attain greater stature we believe most of the evils and excesses exposed by our committee will be eliminated by corrective measures instigated by trade union members themselves."

There is something to be said for this point of view, for in a minority of unions democracy is admittedly being honored more in the breach than in the observance. But to generalize from these few examples and to leave the impression that the majority of union members in the United States are being victimized by power-hungry labor leaders strikes me as being naive.

The fact is that in far too many good, bad and indifferent unions the rank-and-file are perfectly willing to "let George do it." This, it seems to me, is the most serious problem confronting the labor movement at the present time. And yet, strangely enough, it isn't even mentioned in the Goldwater report.

Many Americans who have written or spoken about this subject seem to be laboring under another false impression, namely, that undemocratic practices are confined more or less exclusively to the labor movement and that corporations, in contrast to unions are all being conducted very democratically. As a matter of fact, the problem of democracy in corporations is rarely, if ever, mentioned in polite society.

THE OTHER SIDE

In recent months, however, a number of competent scholars have begun to set the record straight. Brief excerpts from the writings of two of these men will suffice for present purposes.

Dr. Richard Eells of the Columbia University School of Business points out in a

new book entitled THE MEANING OF MODERN BUSINESS that whereas "political leaders in Washington demand more democracy in labor unions and urge legislative proposals with teeth, to assure high ethical standards for authority wielders within these private sectors," comparable proposals with respect to the conduct of corporations "would arouse vigorous antagonism in most business circles."

And yet we are told by another expert in the field of corporate law - Professor Earl Latham of Amherst College - that "democracy" in most corporations is of the make-believe variety. According to Dr. Latham, "It is only a mockery of the representative principle to say that the owner-constituency [the equivalent of the rank-and file] elects its representatives in the board of directors. The constituency is either apathetic or otherwise normally incapable of exercising its franchise."

My purpose in quoting from these two experts is not to criticize American corporations nor to exonerate undemocratic unions, but simply to put the problem of democracy in better focus. This is admittedly a very serious problem, but we are not likely to solve it so long as we continue to think of it, in partisan terms, as being limited exclusively to the labor movement or, in cops-and-robber terms, as being a contest between the "good guys" and the "bad guys" either in unions or in corporations. The time has come to study it objectively as a problem which is common to Big Labor and Big Business and one which would exist even if there were no "bad guys" in either camp. (NC Features)

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behavior of a Christian, if determined by the virtue of prudence, will result in a meeting between induction and deduction. Induction starts from facts and comes to general ideas. Deduction starts from principles and should apply them to a reality that may often be opaque and resistant.

Expressed differently, Christian social action supposes at the same time the knowledge of principles and the knowledge of realities, needs, possibilities and probabilities which flow from them. The Christian social order was not given once and for all in the abstract. It is being constructed patiently and daily in history.

Let us clarify these theoretical affirmations by an example. It is obvious that today a business manager could not impose on his staff any inhuman working conditions contrary to hygiene or morality. If he transgresses these interdictions he sins grievously. It is clear that the same business manager must give his employees a just wage in the conditions provided by legislation, collective conventions and special contracts. If he does not do that, he is guilty of an injustice. It seems certain that a Christian business manager cannot consider as negligible the orientations by which the social doctrine of the Church proposes a progressive transformation of the wage contract - but what methods should he employ? How far must he go? All these questions remain open. In these complex cases, it is the virtue of prudence that must delimit the domain of obligation and that of liberty.

Morality and Techniques of Industrial Organization

The relationship between strictly moral questions and theories of industrial organization poses difficult and delicate problems. Thus, the process of measuring working time is, in itself, neither moral nor immoral. It is technical, but what is to be done if it exasperates the workers, and what should one think of it if, in the end, it exerts pressure towards cutting wages and not at all simply towards increasing productivity or production?

In fact, in concrete and particular instances, the separation of spheres is a difficult undertaking, and one must always beware both of the technicians when, in the name of the autonomy of technique, they forget the human aspects of many problems, and of the moralists when, in the name of morality, they happen to express preferences that are of a purely technical order.

Influence of Persons and Institutions

One cannot contrast the influence exerted by an individual and that effected by an institution for the excellent reason that institutions are worth nothing without men, and that men can do nothing without institutions.

The duty of every Christian is to promote the social reign of Christ at one and the same time by the radiance of a truly Christian personality and by the radiance of institutions animated by the Christian spirit.

It is advisable not to forget a third hypothesis, that of the influence of Christian groups in those institutions that cannot be explicitly Christian. For example, the official institutions of a neutral State in a religiously divided country. A purely personal presence does not suffice to ensure this influence, although it has great value. It requires the joint presence of groups whose members act in harmony with one another.

(The End)